

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

COURTNEY COOPER and ABDO P.
FAISSAL, derivatively on behalf of
PELOTON INTERACTIVE, INC.,

Plaintiffs,

v.

KAREN BOONE, JON CALLAGHAN,
ELIZABETH F. CODDINGTON,
THOMAS CORTESE, JOHN FOLEY,
JAY HOAG, BARRY MCCARTHY,
ANGEL L. MENDEZ, JONATHAN
MILDENHALL, PAMELA THOMAS-
GRAHAM, AND JILL WOODWORTH,

Defendants,

and

PELOTON INTERACTIVE, INC.,

Nominal Defendant.

Case No.: 1:23-cv-07193-MKB-MMH

STIPULATION AND ORDER REGARDING STAY OF ACTION

WHEREAS, on September 27, 2023, Plaintiffs Courtney Cooper and Abdo P. Faissal filed this shareholder derivative action (the “Action”) on behalf of nominal defendant Peloton Interactive, Inc. (“Peloton” or the “Company”) against defendants Karen Boone, Jon Callaghan, Elizabeth F. Coddington, Thomas Cortese, John Foley, Jay Hoag, Barry McCarthy, Angel L. Mendez, Jonathan Mildenhall, Pamela Thomas-Graham, and Jill Woodworth (the “Individual Defendants,” and collectively with the Company, the “Defendants”);

WHEREAS, the Action includes allegations related to those in a putative securities class action captioned *Solomon v. Peloton Interactive, Inc.*, No. 1:23-cv-04279-MKB-JRC (E.D.N.Y.)

currently pending in this Court (the “Securities Class Action”), which asserts federal securities claims against Peloton and certain of its current or former officers;

WHEREAS, while Plaintiffs believe (and Defendants dispute) the Action has merit independent of and is not dependent on the outcome of the Securities Class Action, the parties agree that the resolution of the motion(s) to dismiss that the defendants in the Securities Class Action anticipate filing may help inform the manner in which the Action proceeds;

WHEREAS, the parties agree that it would serve the interests of justice, efficiency, and judicial economy to temporarily stay the Action pending the final resolution of any and all motion(s) to dismiss in the Securities Class Action, including the final and full resolution of any appeals taken from any order(s) related to such motion(s) to dismiss;

WHEREAS, on December 7, 2023, the Court denied without prejudice the parties’ proposed stipulation to stay the Action in light of the fact that no pre-motion conference request had been filed in the Securities Class Action;

WHEREAS, on December 19, 2023, the defendants in the Securities Class Action filed a pre-motion conference letter regarding their anticipated motion to dismiss the Securities Class Action complaint;

WHEREAS, on December 21, 2023, the Court denied the defendants’ request for a pre-motion conference in the Securities Class Action and entered a briefing schedule for defendants’ motion to dismiss;

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by the parties through their undersigned counsel of record and subject to approval of the Court, as follows:

1. Defendants, through their undersigned counsel, hereby accept service of the summons and complaint in this Action without waiver of any rights or defenses except as to sufficiency of service.

2. The above-captioned Action, including Defendants' time to answer, move, or otherwise respond to the Verified Stockholder Derivative Complaint, shall be stayed, as shall all other matters and deadlines in the Action, until all motion(s) to dismiss in the Securities Class Action have been finally and fully resolved on the merits, including that any appeals have been concluded or the time for seeking appellate review has passed with no further action from the parties in the Securities Class Action. Defendants shall have no obligation to answer, move, or otherwise respond to the Verified Stockholder Derivative Complaint during the pendency of the stay of this Action.

3. If any other derivative action asserting the same or substantially similar allegations to the Action is subsequently filed and not stayed for a similar or longer duration, the parties shall have the option to terminate this stay by giving thirty (30) days' notice in writing via email to the undersigned counsel for the opposing parties (the "Option to Terminate"). The parties also have the right to file a motion to lift the stay for any reason. Any party who wishes to file a motion to lift the stay must meet and confer with the other parties at least fourteen (14) days before either filing a motion or requesting a pre-motion conference. In the event Plaintiffs file a motion to lift the stay for any reason, Defendants reserve the right to oppose Plaintiffs' motion to lift the stay. In the event that Plaintiffs exercise the Option to Terminate, Defendants reserve the right to file a motion to stay, and Plaintiffs reserve their right to oppose such a motion.

4. Within 30 days of the stay being lifted for any reason, if the parties do not agree that it is appropriate to seek a continuance of the stay from this Court, the parties shall thereafter

meet and confer and submit a proposed scheduling order governing further proceedings, including the date by which Defendants shall answer, move, or otherwise respond to the operative complaint.

5. Notwithstanding this stay, Plaintiffs may, but are not required to, amend or supplement the Verified Stockholder Derivative Complaint during the pendency of the stay. Defendants shall be under no obligation to respond to any such amended or supplemental complaint while the Action is stayed, unless otherwise ordered by the Court, and Defendants reserve all rights with respect to any subsequent complaint.

6. Except as otherwise agreed herein, the parties reserve all rights, objections, and defenses. Defendants preserve all rights, objections, and defenses, including but not limited to *forum non conveniens*, improper venue, and any other procedural or substantive challenge to the Action.

Respectfully submitted,

Dated: January 2, 2024

COVINGTON & BURLING LLP

/s/ Mark P. Gimbel

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Counsel for Defendants

Dated: January 2, 2024

BRAGAR EAGEL & SQUIRE, P.C.

/s/ Lawrence P. Eagel

Lawrence P. Eagel

Gabriela A. Cardé (*pro hac vice forthcoming*)

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SO ORDERED:

s/ MKB 1/8/2024

MARGO K. BRODIE

United States District Judge

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